

Message Text

CONFIDENTIAL

PAGE 01 BUENOS 04292 01 OF 02 182001 Z

73

ACTION ARA-17

INFO OCT-01 ADP-00 CIAE-00 PM-07 H-02 INR-10 L-03 NSAE-00

NSC-10 PA-03 RSC-01 PRS-01 SS-15 USIA-12 AID-20 IGA-02

OPIC-12 EB-11 COME-00 OMB-01 TRSE-00 SY-10 NEA-10

IO-13 SCA-01 CU-04 SIL-01 LAB-06 RSR-01 /174 W

----- 120234

R 181201 Z JUN 73

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 2489

INFO USCINCSO

DIA DOD

C O N F I D E N T I A L SECTION 1 OF 2 BUENOS AIRES 4292

USCINCSO FOR POLAD

E. O. 11652: GDS

TAGS: PINT, AR

SUBJ: ANALYSIS OF PROBLEMS FACING NEW ARGENTINE GOVERNMENT

REF: BA 4172

1. SUMMARY: THE NEW PERONIST ADMINISTRATION FACES A NUMBER OF CRITICAL PROBLEMS: E. G. CAN IT MAKE ITS ECONOMIC PROGRAM WORK? CONTAIN TERRORISM? HOLD ITS OWN MOVEMENT TOGETHER AND IN LINE? WORK OUT A VIABLE RELATIONSHIP WITH AND KEEP THE MILITARY SECTOR IN ITS PLACE? AND, LASTLY, CAN IT MAINTAIN THE SUPPORT OF THE OTHER POLITICAL PARTIES FOR ITS PROGRAMS? IT IS DIFFICULT TO ASSIGN THESE VARIOUS PROBLEMS AN ORDER OF PRIORITY. INDEED, THEY ARE TO A HIGH DEGREE INTER- RELATED. SOLUTION OF ONE DEPENDS UPON SOLUTION OF CERTAIN OF THE OTHERS. IF ANY SINGLE PROBLEM IS THE KEYSTONE, HOWEVER, IT IS THAT OF MAINTAINING CONTROL OVER THE DISPARATE ELEMENTS OF THE PERONIST MOVEMENT ITSELF. THIS WILL BE PERON' S TASK, NO CAMPORA' S SINCE THE FORMER IS HEAD OF THE MEVEMENT AND THE LATTER HEAD OF GOVERNMENT. PERON-- AND ONLY PERON-- PROBABLY CAN HANDLE IT;

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BUENOS 04292 01 OF 02 182001 Z

HENCE, MANY ARGENTINES (NON- PERONISTS AS WELL AS PERONISTS) ARE TAKING THE VIEW THAT " ARGENTINA' S SOLUTION ARRIVES JUNE 20." WHAT WOULD HAPPEN TO THE MOVEMENT-- AND TO ARGENTINA-- IF THAT " SOLUTION" DIES BEFORE THE NEW GOVERNMENT HAS ITS FEET FIRMLY PLANTED IS A PROSPECT WHICH AT THIS POINT NO ONE WISHES TO CONTEMPLATE. END SUMMARY.

2. MAKING THE ECONOMIC PROGRAM WORK IS, IN TERMS OF MAGNITUDE AND OVERALL IMPACT, THE CAMPORA ADMINISTRATION' S MOST IMPORTANT TASK (SEE SEPTELS ON PROGRAM). UNLESS IT CAN PRODUCE ECONOMICALLY, LA GRAN ARGENTINA WILL REMAIN AS FAR AWAY AS EVER AND, IN A MORE PRAGMATIC SENSE, THE CAMPORA GOVERNMENT ITSELF CANNOT HOPE TO MAINTAIN THE HIGH LEVEL OF PUPULAR SUPPORT NEEDED TO WARD OFF FUTURE MILITARY EXCURSIONS INTO POLITICS OR THE ENCROACHMENTS OF MORE RADICAL ELEMENTS. THIS IS NOT TO SAY THAT IT MUST PRODUCE MIRACLES. BUT IT MUST AT LEAST DEMONSTRATE OVER THE NEXT SIX MONTHS TO A YEAR THAT ITS PROGRAMS ARE RATIONAL AND THAT THEY ARE HAVING SOME EFFECT IN TERMS OF SLOW- ING INFLATION AND REDUCING THE PINCH FELT BY THE AVERAGE MAN. WHETHER OR NOT THE ECONOMIC PROGRAM IS TO HAVE A CHANCE TO SUCCEED, HOWEVER, DEPENDS IN LARGE PART UPON WHETHER PERONIST LABOR CAN BE PERSUADED-- OR MADE-- TO ACCEPT THE NECESSARY SACRIFICES. CHANCES ARE THAT PERON CAN SO PERSUADE THEM, AT LEAST FOR A TIME-- ESPECIALLY IF THE ANTI- INFLATIONARY MEASURES, SUCH AS REDUCTION OF BEEF PRICES AND OTHER STAPLES, ARE MADE TO STICK.

3. LESS IMPORTANT IN TERMS OF MAGNITUDE, BUT EVEN MORE PRESSING IN TERMS OF TIMING IS THE QUESTION OF CONTAINING THE TERRORISTS-- AND PARTICULARLY THE HARD CORE ERP. THIS IS IMPORTANT NOT ONLY BECAUSE OF ITS IMPACT ON POLITICAL STABILITY, BUT ALSO BECAUSE OF THE DISASTROUS EFFECTS RAMPANT TERRORISM COULD HAVE ON THE INVESTMENT CLIMATE- AND ARGENTINA NEEDS INVESTMENT. LAST WEEK, A FULL- SCALE CONFRONTATION SEEMED TO BE DEVELOPING BETWEEN THE PERONISTS AND THE TERRORISTS. AT THE MOMENT, HOWEVER, TERRORIST ACTIVITY SEEMS TO HAVE ABATED AND SOME OF THE GROUPS ARE BEGINNING TO BEHAVE RATHER TAMELY. ON JUNE 13, FOR EXAMPLE, REPRESENTATIVES OF THE FAP, THE FAR AND THE MONTONEROS CALLED ON PRESIDENT CAMPORA TO THANK HIM FOR RELEASING THEM FROM PRISON. FOR ITS PART, THE ERP HAS BEEN SURPRISINGLY QUIET-- ALTHOUGH IT IS NOT CLEAR WHETHER

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BUENOS 04292 01 OF 02 182001 Z

THIS REFLECTS THE INTENTION TO LIE LOW IN THE FACE OF MOUNTING PERONIST DETERMINATION-- AND THREATS-- TO END THEIR ACTIVITIES OR WHETHER IT IS SIMPLY A MATTER OF REGROUPING FOR ANOTHER WAVE OF VIOLENCE. IN ANY CASE, THE LULL IS LIKELY TO BE SHORTLIVED. SOONER OR LATER THE PERONISTS WILL PROBABLY HAVE TO PACIFY THE HARD- CORE TERRORISTS BY FORCE OF ARMS. EVEN SO, THIS IS A RELATIVELY STRAIGHT- FORWARD PROBLEM AND, IN

THE FINAL ANALYSIS, THE PERONISTS PROBABLY HAVE THE CAPABILITY TO CONTAIN TERRORISM-- IF IT COMES TO THAT.

4. A FAR MORE DIFFICULT PROBLEM IS LIKELY TO BE THAT OF CONTROLLING THE NON- TERRORIST BUT RADICALIZED YOUTH-- ESPECIALLY THOSE ASSOCIATED WITH THE PERONIST YOUTH MOVEMENT ITSELF. EARLIER, CONTROLLING THE RADICALS WITHIN THE MOVEMENT HAD BEEN DESCRIBED AS THE PRIMARY CHALLENGE FACING THE PERONIST MODERATES. THE PASSIVITY WITH WHICH THE YOUTH WING ACCEPTED THE OUSTER OF GALIMBERTI, HOWEVER, LED MANY TO CONCLUDE THAT THE PROBLEM HAD BEEN SOLVED AT ONE FELL SWOOP. OBVIOUSLY THAT CONCLUSION WAS PREMATURE. DURING THE PAST WEEK OR MORE SOME ELEMENTS OF THE PERONIST YOUTH HAVE BEEN BEHAVING AS THOUGH THEY OWNED THE COUNTRY, SEIZING RADIO STATIONS, HOSPITALS AND SCHOOLS (SEE BA 4172) AND PAYING LITTLE HEED TO GOVERNMENTAL DIRECTIVES AND EVEN FORCING THE RESIGNATION OF SOME OFFICIALS APPOINTED BY THE CAMPORA GOVT. CLEARLY, THERE ARE STILL MANY WITHIN THE PERONIST YOUTH WHO FAVOR MORE EXTREME SOLUTIONS THAN THOSE ENVISAGED BY THE CAMPORA GOVERNMENT AND WHO THINK THEY SEE AN OPPORTUNITY TO FORCE ITS HAND.

5. THE CAMPORA GOVERNMENT, HOWEVER, HAS REACTED MILDLY TO THESE EXCESSES, BY AND LARGE PASSING OFF THE WHOLE MATTER AS AN EXAMPLE OF LETTING OFF STEAM-- A PHASE WHICH WILL SOON PASS. INDEED, CAMPORA APPEARED TO REGARD THE OCCUPATIONS AS AN INTERMOVEMENT DISCIPLINARY AFFAIR, AND HENCE LEFT IT UP TO MOVEMENT SECRETARY GENERAL JUAN MANUEL ABAL MEDINA TO DEMAND THAT THE OCCUPATIONS STOP (SEE SEPTTEL). THIS APPROACH, HOWEVER, LEAVES A SAGGING IMAGE OF THE GOVT WITH THE GENERAL PUBLIC AND THE NON- PERONIST PARTIES IN PARTICULAR.

CONFIDENTIAL

NNNNMAFVVZCZ

ADP000

CONFIDENTIAL

PAGE 01 BUENOS 04292 02 OF 02 182021 Z

73

ACTION ARA-17

INFO OCT-01 ADP-00 CIAE-00 PM-07 H-02 INR-10 L-03 NSAE-00

NSC-10 PA-03 RSC-01 PRS-01 SS-15 USIA-12 AID-20 IGA-02

OPIC-12 EB-11 COME-00 OMB-01 TRSE-00 SY-10 NEA-10

IO-13 SCA-01 CU-04 SIL-01 LAB-06 RSR-01 /174 W

----- 120434

R QIQWPQZ JUN 73
FM AMEMBASSY BUENOS AIRES
TO SECSTATE WASHDC 2490
INFO USCINCSO
DIA DOD

C O N F I D E N T I A L SECTION 2 OF 2 BUENOS AIRES 4292

USCINCSO FOR POLAD

6. THIS MAY BE SYMPTOMATIC OF THE CAMPORA GOVERNMENT'S FUTURE APPROACH TO THE MORE GENERAL PROBLEM OF KEEPING THE PERONIST YOUTH IN LINE, FOR CONTROLLING THE YOUTH SECTOR AND KEEPING PERONIST LABOR IN LINE ARE, IN A SENSE, SIMPLY TWO SIDES OF THE SAME COIN-- I. E. THAT OF HOLDING THE MOVEMENT TOGETHER--, AND THAT IS A TASK WHICH BY DEFINITION BELONGS FAR MORE TO PERON, AS THE HEAD OF THE MOVEMENT, THAN TO CAMPTRA, AS PRESIDENT OF THE COUNTRY. EXPECTATIONS ARE THAT PERON, IF HE WISHES, CAN AND WILL HANDLE THE MATTER WHEN HE RETURNS-- THAT HE WILL CLAMP DOWN ON THE YOUTH SECTOR, AND ON EXTREMISTS IN GENERAL. HE MAY NOT, HOWEVER, CLAMP DOWN AS HARSHLY AS THE MODERATES HOPE; THERE IS, MOREOVER, AN IMPLICIT DANGER IN PERON'S STYLE OF POLITICS, WHICH, ESSENTIALLY IS TO USE ONE GROUP OR TENDENCY TO BALANCE ANOTHER, WHILE KEEPING ALL UNDER THE ROOF OF PERONISM AND LOYAL TO HIM PERSONALLY. THIS MAY BE EFFECTIVE IN A NARROW SENSE, BUT IT ALSO CREATES A KINETIC SITUATION AND A CONTINUED CLIMATE OF UNCERTAINTY, WHICH IS THE LAST THING ARGENTINA NEEDS AT THIS POINT. IF PERON DOES RESORT TO THIS KIND OF BALANCING ACT, HE IS MORE LIKELY TO CHANNEL AND USE RADICAL YOUTH RATHER THAN STRONGLY CURBING THEM. THIS IS A DANGEROUS GAME AND ONE WHICH MIGHT EASILY GET OUT OF HAND. IF
CONFIDENTIAL
CONFIDENTIAL

PAGE 02 BUENOS 04292 02 OF 02 182021 Z

NOT MANAGED ADROITLY, RADICAL YOUTH COULD USE PERONISM RATHER THAN THE OTHER WAY AROUND.

7. IT IS IMPORTANT NOT ONLY TO PUBLIC ORDER THAT THE OCCUPATIONS CEASE AND THAT YOUTHFUL EXCESSES BE CURBED; IT IS EVEN MORE IMPORTANT IN TERMS OF MAINTAINING OR SECURING THE SUPPORT OF THE OTHER POLITICAL PARTIES AND INSTITUTIONS FOR PERONIST PROGRAMS. THE WHOLE THRUST OF THE PERONIST POLITICAL LINE SO FAR HAS BEEN TOWARD NATIONAL RECONCILIATION AND UNITY. CAMPORA HAS SAID HE INTENDS TO BE THE PRESIDENT OF ALL ARGENTINES AND BOTH HE AND PERON HAVE WORKED ASSIDUOUSLY TO WIN THE COOPERATION OF THE UCR AND
AND
THE OTHER POLITICAL PARTIES. MANY OF THE OCCUPATIONS, ON THE OTHER HAND, HAVE BEEN CARRIED OUT ON AN EXTREMELY PARTISAN BASIS. SOME MANAGERS AND TEACHERS, FOR EXAMPLE WERE TURNED OUT BY THE OCCUPIERS ON THE GROUNDS THAT THEY WERE NOT PERONISTS. THIS HAS ALARMED THE UCR AND OTHER CENTRIST SECTORS. AS ONE UCR SENATOR COMMENTED RECENTLY TO AN EMBOFF; " THE PERONISTS CANNOT ACCOMPLISH NATIONAL RECONSTRUCTION BY THEMSELVES. THEY NEED

THE HELP OF AS WIDE A SPECTRUM OF SOCIETY AS POSSIBLE, BUT THEY WON' T GET IT UNLESS THEY CAN CONTROL THE EXTREMISTS ELEMENTS WITHIN THEIR OWN RANKS".

8. FINALLY, THE CAMPORA GOVERNMENT FACES THE PROBLEM OF ITS RELATIONS WITH THE MILITARY. AT THE MOMENT THIS IS NOT OF PRESSING URGENCY, FOR THE NEW GOVERNMENT' S OVERWHELMING POPULAR MANDATE AND THE MILITARY' S OWN LOW STOCK WITH THE ARGENTINE PEOPLE HAVE LEFT THE GENERALS FEW OPTIONS AT THIS TIME, BUT TO RETURN TO THE BARRACKS. HOWEVER, SHOULD THE CAMPORA ADMINISTRATION FAIL TO SOLVE ITS OTHER PROBLEMS AND ITS POPULAR SUPPORT BEGINS TO EBB, IT COULD FACE THE POSSIBILITY OF NEW MILITARY INTERVENTION IN THE POLITICAL ARENA.

9. THE CENTRAL FACT WHICH EMERGES FROM THE ABOVE ANALYSIS IS THAT IF ANY SINGLE PROBLEM IS MORE KEY THAN THE OTHERS, IT IS THAT OF CONTROLLING THE VARIOUS ELEMENTS WITHIN THE PERONIST MOVEMENT ITSELF. IF LABOR WILL NOT COOPERATE, THE ECONOMIC PROGRAM WILL NOT WORK. IF THE RADICAL YOUTH SECTOR CANNOT BE CONTROLLED, THE WHOLE CAREFULLY CONSTRUCTED EDIFICE OF NATIONAL RECONCILIATION WILL BEGIN TO CRUMBLE. THERE IS ONLY ONE MAN WHO CAN HOLD THE VARIOUS PARTS OF THE MOVEMENT IN LINE-- AND THAT MAN IS PERON. CAMPORA' S TASK, AS PRESIDENT, WILL BE NOT POLITICAL LEADERSHIP BUT THE DAY
CONFIDENTIAL
CONFIDENTIAL

PAGE 03 BUENOS 04292 02 OF 02 182021 Z

TO DAY ADMINISTRATION OF THE GOVERNMENTAL MACHINERY. THE ARGENTINE PEOPLE LOOK TO PERON FOR LEADERSHIP. SHOULD HE PASS FROM THE SCENE BEFORE THE NEW GOVERNMENT HAS ITS FEET PLANTED AND ITS PROGRAMS FIRMLY UNDERWAY, THE PROSPECTS FOR ARGENTINA COULD BE BLEAK INDEED.
LODGE

CONFIDENTIAL

NNNNMAFVVZCZ

*** Current Handling Restrictions *** n/a

*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 18 JUN 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: kelleyw0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973BUENOS04292
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: n/a
Film Number: n/a
From: BUENOS AIRES
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730621/aaaajcoa.tel
Line Count: 262
Locator: TEXT ON-LINE
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: BA 4172
Review Action: RELEASED, APPROVED
Review Authority: kelleyw0
Review Comment: n/a
Review Content Flags:
Review Date: 22 OCT 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <22-Oct-2001 by shawdg>; APPROVED <30-Oct-2001 by kelleyw0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> srp 980209
Subject: ANALYSIS OF PROBLEMS FACING NEW ARGENTINE GOVERNMENT
TAGS: PINT, AR
To: ARA
SECSTATE WASHDC INFO DIA
DOD
USCINCSO
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005